



CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

August 9, 2000

S. 1694

Hawaii Water Resources Reclamation Act of 2000

As ordered reported by the House Committee on Resources on July 26, 2000

CBO estimates that implementing S. 1694 would have no significant impact on the federal budget. Because the act would not affect direct spending or receipts, pay-as-you-go procedures would not apply. S. 1694 contains an intergovernmental mandate as defined in the Unfunded Mandates Reform Act (UMRA), but CBO estimates the cost would not be significant and would not meet the threshold established in UMRA (\$55 million in 2000, adjusted annually for inflation). The legislation contains no new private-sector mandates.

S. 1694 would authorize the appropriation of the sums necessary for the Secretary of the Interior to conduct a study of water resources in the state of Hawaii and report to the Congress within two years from the time when such sums are provided. Based on information from the Bureau of Reclamation, CBO estimates that those activities would cost a total of \$400,000 over two years, assuming appropriation of the necessary amounts.

The act also would permit the state of Hawaii to request emergency assistance from the bureau under the Reclamation States Emergency Drought Relief Act. Any such assistance provided to the state would be subject to the availability of appropriations. The 17 states currently eligible for such assistance received a total appropriation of \$3 million in fiscal year 2000. CBO estimates that making Hawaii eligible for this type of assistance would not significantly affect federal costs.

S. 1694 contains an intergovernmental mandate as defined in UMRA because it would require the state of Hawaii to share the cost of the water resources study. We estimate that Hawaii's share of the cost would be approximately \$200,000 over two years. Overall, however, this legislation could benefit the state of Hawaii by enabling it to participate in the emergency drought relief program.

On February 22, 2000, CBO transmitted a cost estimate for S. 1694 as ordered reported by the Senate Committee on Energy and Natural Resources on February 10, 2000. That version of the legislation did not require Hawaii to share the cost of the water resources study and

therefore did not contain an intergovernmental mandate. Otherwise, the two versions of this legislation are nearly identical, and the estimated costs are the same.

The CBO staff contact for this estimate is Rachel Applebaum. The estimate was approved by Robert A. Sunshine, Assistant Director for Budget Analysis.